

Message Text

LIMITED OFFICIAL USE

PAGE 01 PANAMA 01585 192020Z

11

ACTION ARA-10

INFO OCT-01 ISO-00 SAB-01 CIAE-00 DODE-00 PM-03 H-02

INR-07 L-02 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 IO-10 /066 W

----- 128148

R 191721Z MAR 75

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC 3327

LIMITED OFFICIAL USE PANAMA 1585

E.O. 11652: N/A

TAGS: PFOR, PN, PQ

SUBJECT: OLD FRANCE FIELD AGREEMENT-INITIAL PANAMANIAN REACTION

SUMMARY: OLD FRANCE FIELD AGREEMENT HAS HAD A SWIFT AND FAVORABLE IMPACT. GENERAL TORRIJOS HAS PUBLICLY HAILED AGREEMENT AS A POSITIVE ACHIEVEMENT, SIGNIFICANT TO PANAMA BOTH FOR ITS ECONOMIC BENEFITS AND AS EVIDENCE OF U.S. GOOD FAITH AND INTENTIONS. INITIAL EDITORIAL COMMENTARY SIMILARLY UNDERScoreD ITS PRACTICAL AND SYMBOLIC IMPORTANCE AND DEPICTED ACCORD AS MAJOR VICTORY FOR TORRIJOS AND PANAMA. END SUMMARY

1. MARCH 14 SIGNING OF OLD FRANCE FIELD AGREEMENT BETWEEN CANAL ZONE AND COLON FREE ZONE AUTHORITIES, WIDELY COVERED IN PRESS MARCH 15 AND 16, WAS GREETED EDITORIALlY WITH SATISFACTION AND, IN MOST INSTANCES, OPTIMISM. UNANIMOUSLY SEEN AS A MAJOR DEVELOPMENT FOR PANAMA AND VICTORY FOR GENERAL TORRIJOS, THE AGREEMENT HAS BEEN COMMENDED BOTH FOR ITS CONTRIBUTION TO THE ECONOMIC FUTURE OF COLON FREE ZONE AND FOR ITS INHERENT POLITICAL SIGNIFICANCE. IN ECONOMIC TERMS, REPORTING AND COMMENTARY ALIKE STRESSED THE IMPORTANCE OF THE COLON FREE ZONE, ITS PREVIOUS INABILITY TO EXPAND, AND THE LONG-RANGE DEVELOPMENT POSSIBILITIES THE USE OF OLD FRANCE FIELD HAS OPENED FOR THE FREE ZONE AND ADJACENT

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PANAMA 01585 192020Z

AREAS.

2. IN TERMS OF ITS POLITICAL IMPLICATIONS, SEMI-INDEPENDENT ESTRELLA, IN ITS FEATURE EDITORIAL MARCH 16, SAW THE AGREEMENT AS EXPRESSIVE OF GREATER U.S. UNDERSTANDING OF LEGITIMATE PANAMANIAN ASPIRATIONS WHICH "WITHOUT DOUBT" WILL BE REFLECTED IN THE NEW CANAL TREATY. FOR ITS PART, GOP-CONTROLLED CRITICA, ON MARCH 17, UNDERScoreD AS ESPECIALLY NOTEWORTHY THAT PANAMA HAD SUCCEEDED IN OBTAINING A PROPER INTERPRETATION OF THE 1936 TREATY. WHILE LONG OVERDUE, THIS REPRESENTED A PRECEDENT WHICH, ACCORDING TO CRITICA, "CANNOT BE UNDERESTIMATED" IN THE CONTEXT OF THE CURRENT TREATY NEGOTIATIONS. MOREOVER, OBSERVED CRITICA, IF THIS HAD BEEN THE U.S. ATTITUDE IN THE PAST, THE CAUSES OF CONFLICT BETWEEN THE TWO COUNTRIES COULD HAVE BEEN AVOIDED. VOICING A MORE CYNICAL VIEW OF U.S. MOTIVES, MATUTINO COLUMNIST RICARDO LINCE MAINTAINED THAT THE U.S. ACTION ON OLD FRANCE FIELD WAS BUT ANOTHER EXAMPLE OF AN "OIL ON TROUBLED WATERS" STRATEGY. THIS TIME, SAID LINCE, THE U.S. WAS MERELY ATTEMPTING TO "BUY TRANQUILITY" ON THE EVE OF THE MARCH 23 MEETING IN PANAMA OF THE VENEZUELAN, COLOMBIAN, COSTA RICAN AND PANAMANIAN CHIEFS OF GOVERNMENT.

3. ADDRESSING THE AGREEMENT IN THE CONTEXT OF MORE GENERAL REMARKS ON THE TREATY NEGOTIATIONS (THE FULL TEXT, PUBLISHED MARCH 18, HAS BEEN REPORTED BY FBIS 181608Z MAR 75), TORRIJOS HAILED THE OLD FRANCE FIELD ACCORD AS A "REAL, POSITIVE CONQUEST" WHICH MEANT MUCH TO THE ECONOMY OF COLON AND SIGNIFIED THE BEGINNING OF THE "DECOLONIZATION" OF PANAMA. SPEAKING TO A GATHERING OF WOMEN NATIONAL ASSEMBLY REPRESENTATIVES AT RIO HATO ON MARCH 16, TORRIJOS ATTRIBUTED THE RETURN OF OLD FRANCE FIELD TO A NEW "SERIOUS" U.S. APPROACH TO THE NEGOTIATIONS AND, CONTRASTED WITH PREVIOUS EFFORTS TO DECEIVE PANAMA, AS REFLECTIVE OF "BETTER INTENTIONS." TAKING CREDIT FOR THE NEW U.S. ATTITUDE-AND THE OLD FRANCE FIELD AGREEMENT--TORRIJOS REPORTEDLY STATED HE HAD TOLD THE AMERICANS THAT, AS THE PANAMANIAN PEOPLE HAD LOST FAITH IN U.S. INTENTIONS, IT WAS NECESSARY FOR THE U.S. TO TAKE SPECIFIC ACTIONS TO RESTORE THAT FAITH.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 PANAMA 01585 192020Z

4. COMMENT: THE OLD FRANCE FIELD AGREEMENT IS CLEARLY AN IMPORTANT ECONOMIC AND POLITICAL DEVELOPMENT FOR THE GOP. ECONOMICALLY, IT PERMITS THE LONG-RANGE EXPANSION OF THE COLON FREE ZONE AND THE ORDERLY ACQUISITION OF THE NECESSARY FINANCING. FREE ZONE EXPANSION IS A TOP PRIORITY GOP PROJECT, AND ITS FRUSTRATION AS A RESULT OF WHAT GOP PERCEIVED AS LACK OF U.S. FOLLOW-THROUGH ON ITS YEAR-OLD COMMITMENT TO RETURN FRANCE

FIELD HAD BECOME A GROWING IRRITANT. THE PRESENT AGREEMENT, MOREOVER, REMOVES THAT IRRITANT AT A CRITICAL JUNCTURE IN THE CANAL TREATY NEGOTIATIONS. TORRIJOS HAS FELT INCREASINGLY VULNERABLE TO CRITICISMS THAT, DESPITE FAVORABLE ATMOSPHERE FOR TALKS, THERE WAS NOTHING TANGIBLE TO SHOW FOR MORE THAN A YEARS' NEGOTIATIONS. THE FRANCE FIELD ACCORD HAS PROVIDED TORRIJOS HIS "VISIBLE PROGRESS", WHICH GIVES HIM MORE DOMESTIC POLITICAL BREATHING ROOM, AND ALLOWS HIM TO CONTINUE THE NEGOTIATIONS WITH HIS CONFIDENCE IN BASIC U.S. GOOD WILL AND INTENTIONS INTACT. JORDEN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, ECONOMIC DEVELOPMENT, OLD FRANCE FIELD AGREEMENT, FOREIGN POLICY POSITION, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 19 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975PANAMA01585
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750097-0220
From: PANAMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750336/aaaabgmb.tel
Line Count: 126
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 11 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 SEP 2003 by SmithRJ>; APPROVED <20 OCT 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OLD FRANCE FIELD AGREEMENT-INITIAL PANAMANIAN REACTION SUMMARY: OLD FRANCE FIELD AGREEMENT HAS HAD A SWIFT AND
TAGS: PFOR, PN, PQ, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006